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9 **UNITED STATES BANKRUPTCY COURT**  
10 **NORTHERN DISTRICT OF CALIFORNIA**  
11 **SAN FRANCISCO DIVISION**

12 **In re:**

13 **PG&E CORPORATION,**

14 **- and -**

15 **PACIFIC GAS AND ELECTRIC**  
16 **COMPANY,**

17 **Debtors.**

- 18 ☐ Affects PG&E Corporation  
19 ☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

20 *\* All papers shall be filed in the Lead Case, No.*  
21 *19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' SIXTY-  
FOURTH OMNIBUS OBJECTION TO  
CLAIMS (NO LIABILITY CLAIMS)**

**Response Deadline:**  
**March 24, 2021, 4:00 p.m. (PT)**

**Hearing Information If Timely Response Made:**

Date: April 7, 2021

Time: 10:00 a.m. (Pacific Time)

Place: (Telephonic Appearances Only)

United States Bankruptcy Court

Courtroom 17, 16th Floor

San Francisco, CA 94102

1 **TO: (A) THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY**  
2 **JUDGE; (B) THE OFFICE OF THE UNITED STATES TRUSTEE; (C) THE AFFECTED**  
3 **CLAIMANTS; AND (D) OTHER PARTIES ENTITLED TO NOTICE:**

4 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as  
5 debtors and reorganized debtors (collectively, “**PG&E**” or the “**Debtors**” or as reorganized pursuant to  
6 the Plan (as defined below), the “**Reorganized Debtors**”) in the above-captioned chapter 11 cases (the  
7 “**Chapter 11 Cases**”) hereby submit this Sixty-Fourth Omnibus Objection (the “**Objection**”) to the  
8 Proofs of Claim (as defined below) identified in the column headed “Claims To Be Disallowed and/or  
9 Expunged” on **Exhibit 1** annexed hereto.

## 10 **I. JURISDICTION**

11 This Court has jurisdiction over this Objection under 28 U.S.C. §§ 157 and 1334; the *Order*  
12 *Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.); and  
13 Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern  
14 District of California (the “**Bankruptcy Local Rules**”). This matter is a core proceeding pursuant to 28  
15 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The  
16 statutory predicates for the relief requested are section 502 of Title 11 of the United States Code (the  
17 “**Bankruptcy Code**”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (collectively, the  
18 “**Bankruptcy Rules**”).

## 19 **II. BACKGROUND**

20 On January 29, 2019 (the “**Petition Date**”), the Debtors commenced with the Court voluntary  
21 cases under chapter 11 of the Bankruptcy Code. Prior to the Effective Date (as defined below), the  
22 Debtors continued to operate their businesses and manage their properties as debtors in possession  
23 pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner was appointed  
24 in either of the Chapter 11 Cases. The Chapter 11 Cases are being jointly administered for procedural  
25 purposes only pursuant to Bankruptcy Rule 1015(b).

26 Additional information regarding the circumstances leading to the commencement of the Chapter  
27 11 Cases and information regarding the Debtors’ businesses and capital structure is set forth in the  
28 *Amended Declaration of Jason P. Wells in Support of the First Day Motions and Related Relief* [Docket  
No. 263].

1 On July 1, 2019, the Court entered the *Order Pursuant to 11 U.S.C. §§ 502(b)(9) and 105(a),*  
2 *Fed. R. Bankr. P. 2002, 3003(c)(3), 5005, and 9007, and L.B.R. 3003-1 (I) Establishing Deadline for*  
3 *Filing Proofs of Claim, (II) Establishing the Form and Manner of Notice Thereof, and (III) Approving*  
4 *Procedures for Providing Notice of Bar Date and Other Information to All Creditors and Potential*  
5 *Creditors* [Docket No. 2806] (the “**Bar Date Order**”). The Bar Date Order set the deadline to file all  
6 proofs of claim (each, a “**Proof of Claim**”) in respect of any prepetition claim (as defined in section  
7 101(5) of the Bankruptcy Code), including all claims of Fire Claimants (as defined therein), Wildfire  
8 Subrogation Claimants (as defined therein), Governmental Units (as defined in section 101(27) of the  
9 Bankruptcy Code), and Customers, and for the avoidance of doubt, including all secured claims and  
10 priority claims, against either of the Debtors as October 21, 2019 at 5:00 p.m. Pacific Time (the “**Bar**  
11 **Date**”). The Bar Date later was extended solely with respect to unfiled, non-governmental Fire  
12 Claimants to December 31, 2019 [Docket No. 4672]<sup>1</sup>; and subsequently with respect to certain claimants  
13 that purchased or acquired the Debtors’ publicly held debt and equity securities and may have claims  
14 against the Debtors for rescission or damages to April 16, 2020 [Docket No. 5943].

15 By Order dated June 20, 2020 [Dkt. No. 8053], the Bankruptcy Court confirmed the *Debtors’*  
16 *and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated June 19, 2020* (as may be  
17 further modified, amended or supplemented from time to time, and together with any exhibits or  
18 scheduled thereto, the “**Plan**”). The Effective Date of the Plan occurred on July 1, 2020 (the “**Effective**  
19 **Date**”). See Dkt. No. 8252.

### 20 **III. RELIEF REQUESTED**

21 The Reorganized Debtors file this Objection, pursuant to section 502 of the Bankruptcy Code,  
22 Bankruptcy Rule 3007(d)(5), Bankruptcy Local Rule 3007-1, and the *Order Approving (A) Procedures*  
23 *for Filing Omnibus Objections to Claims and (B) the Form and Manner of the Notice of Omnibus*  
24 *Objections*, dated June 30, 2020 [Docket No. 8228] (the “**Omnibus Objections Procedures Order**”),  
25 seeking entry of an order disallowing and/or expunging Proofs of Claim for which the Reorganized  
26 Debtors are not liable (the “**No Liability Claims**”). The No Liability Claims are identified on

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27 <sup>1</sup> The claims of Fire Claimants will be administered through the Fire Victim Trust and the claims of  
28 Wildfire Subrogation Claimants through the Subrogation Wildfire Trust in accordance with the Plan.

1 **Exhibit 1**, in the columns headed “Claims To Be Disallowed and/or Expunged.” **Exhibit 1** also  
2 specifically identifies in the “Basis for Objection” that the No Liability Claims are classified as either:

3 (1) “Protective Claims.” These are proofs of claim that assert protective, unliquidated claims  
4 potentially owing post-petition. The Reorganized Debtors have reviewed their books and records and  
5 have determined that they have no known liability as of the Petition Date with respect to the Protective  
6 Claims. Approval of the relief requested herein will not prejudice the holders of any of the Protective  
7 Claims because (a) the Claimants retain all non-bankruptcy remedies that would have existed had these  
8 Chapter 11 Cases not been filed and (b) the Debtors commit that they will not raise any bankruptcy  
9 defenses to future assertion of claims based on the alleged post-petition failure of the Reorganized  
10 Debtors to perform or honor their obligations relating to such claims.

11 Further, with respect to Claim 64104 (filed by the United States on behalf of its Nuclear  
12 Regulatory Commission), for the avoidance of doubt, nothing herein shall modify the Plan or the  
13 Confirmation Order [Docket No. 8053], including without limitation paragraph 67(b) of the  
14 Confirmation Order, which provides that all Environmental Claims held by any Governmental Unit (as  
15 defined therein) and Environmental Performance Obligations to any Governmental Unit shall survive  
16 the Chapter 11 Cases as if they had not been commenced and be determined in the ordinary course of  
17 business, including in the manner and by the administrative or judicial tribunals in which such  
18 Environmental Claims or Environmental Performance Obligations would have been resolved or  
19 adjudicated if the Chapter 11 Cases had not been commenced; provided, that nothing in the Confirmation  
20 Order, the Plan, or the Plan Documents shall alter any legal or equitable rights or defenses of the Debtors  
21 or the Reorganized Debtors under non-bankruptcy law with respect to any such Environmental Claims  
22 or Environmental Performance Obligations. For the avoidance of doubt, the Debtors and the Reorganized  
23 Debtors shall not raise the discharge injunction as a defense to the Environmental Claims or  
24 Environmental Performance Obligations.

25 (2) “Untimely No Liability Claims.” These Proofs of Claims provide no supporting  
26 documentation to enable the Reorganized Debtors to understand the purported basis for liability and,  
27 after reviewing their books and records, the Reorganized Debtors are unable to determine any liability  
28 or basis for the asserted Claims. In addition, as indicated by the dates identified in the column headed

1 “Date Filed” on **Exhibit 1**, each of the Untimely No Liability Claims was filed well after the General  
2 Bar Date (with no applicable exception under the Bar Date Order that may render such Claim timely)  
3 and none of the Claimants have sought or obtained relief from the Court pursuant to Rule 9006 of the  
4 Bankruptcy Rules to file a late Proof of Claim. Accordingly, in addition to the Debtors not being liable  
5 for the amounts sought, the Untimely No Liability Claims should be disallowed and/or expunged as  
6 untimely as well.

#### 7 **IV. ARGUMENT**

##### 8 **A. The No Liability Claims Should be Disallowed and/or Expunged**

9 The Omnibus Objections Procedures Order supplemented Bankruptcy Rule 3007(d) to permit  
10 the Reorganized Debtors to file objections to more than one claim if “[t]he claims seek recovery of  
11 amounts for which the Debtors are not liable.” Omnibus Objections Procedures Order, ¶2(C)(iii).  
12 Bankruptcy Rule 3007(e) requires that an omnibus objection must list the claimants alphabetically and  
13 by cross-reference to claim numbers. The Reorganized Debtors and their professionals have reviewed  
14 each of the No Liability Claims identified on **Exhibit 1** and have determined that they do not state a  
15 basis for a current right to payment. As to the Untimely No Liability Claims, as detailed above, after a  
16 review of their books and records, the Reorganized Debtors have not been able to determine any basis  
17 under which they are liable. Furthermore, as described above, the Reorganized Debtors have established  
18 that each of the Untimely No Liability Claims is also untimely under the Bar Date Order and should be  
19 disallowed in its entirety pursuant to section 502(b)(9) of the Bankruptcy Code.

20 Each of the Claimants is listed alphabetically, and the claim number and amount are identified  
21 in accordance with Bankruptcy Rule 3007(e). Furthermore, in accordance with the Omnibus Objections  
22 Procedures Order, the Reorganized Debtors have sent individualized notices to the holders of each of  
23 the No Liability Claims.

##### 24 **B. The Claimants Bear the Burden of Proof**

25 A filed proof of claim is “deemed allowed, unless a party in interest . . . objects.” 11 U.S.C.  
26 § 502(a).<sup>2</sup> Section 502(b)(1) of the Bankruptcy Code, however, provides in relevant part that a claim

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27 <sup>2</sup> On November 17, 2020, the Court entered the *Order Extending Deadline for the Reorganized Debtors*  
28 *to Object to Claims* [Docket No. 9563], which extended the deadline under Section 7.1 of the Plan for

1 may not be allowed if “such claim is unenforceable against the debtor and property of the debtor, under  
2 any agreement or applicable law.” 11 U.S.C. § 502(b)(1). Once the objector raises “facts tending to  
3 defeat the claim by probative force equal to that of the allegations of the proofs of claim themselves,”  
4 *Wright v. Holm (In re Holm)*, 931 F.2d 620, 623 (9th Cir. 1991), quoting 3 L. King, *Collier on*  
5 *Bankruptcy* § 502.02 at 502-22 (15th ed. 1991), then “the burden reverts to the claimant to prove the  
6 validity of the claim by a preponderance of the evidence,” *Ashford v. Consolidated Pioneer Mortgage*  
7 *(In re Consolidated Pioneer Mortgage)* 178 B.R. 222, 226 (B.A.P. 9th Cir. 1995) (quoting *In re*  
8 *Allegheny Int’l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)), *aff’d without opinion* 91 F.3d 151 (9th Cir.  
9 1996). “[T]he ultimate burden of persuasion is always on the claimant.” *Holm*, 931 F.2d at 623 (quoting  
10 King, *Collier on Bankruptcy*); *see also Lundell v. Anchor Constr. Specialists, Inc.*, 223 F.3d 1035, 1039  
11 (9th Cir. 2000), *Spencer v. Pugh (In re Pugh)*, 157 B.R. 898, 901 (BAP 9th Cir. 1993); *In re Fidelity*  
12 *Holding Co.*, 837 F.2d 696, 698 (5th Cir. 1988).

13 As set forth above, the Reorganized Debtors submit that the No Liability Claims do not represent  
14 a current right to payment and, therefore, should be disallowed and/or expunged in their entirety. If any  
15 Claimant believes that a No Liability Claim is valid, it must present affirmative evidence demonstrating  
16 the validity of that claim.

## 17 **V. RESERVATION OF RIGHTS**

18 The Reorganized Debtors hereby reserve the right to object, as applicable, in the future to any of  
19 the Proofs of Claim listed in this Objection on any ground, and to amend, modify, or supplement this  
20 Objection to the extent an objection to a claim is not granted, and to file other objections to any proofs  
21 of claims filed in these cases, including, without limitation, objections as to the amounts asserted therein,  
22 or any other claims (filed or not) against the Debtors, regardless of whether such claims are subject to  
23 this Objection. A separate notice and hearing will be scheduled for any such objections. Should the  
24 grounds of objection specified herein be overruled or withdrawn, wholly or in part, the Reorganized  
25

26  
27 the Reorganized Debtors to bring objections to Claims through and including June 26, 2021 (except for  
28 claims of the United States which deadline was extended to March 31, 2021), without prejudice to the  
right of the Reorganized Debtors seek further extensions thereof.

1 Debtors reserve the right to object to the No Liability Claims on any other grounds that the Reorganized  
2 Debtors may discover or deem appropriate.

3 **VI. NOTICE**

4 Notice of this Objection will be provided to (i) holders of the No Liability Claims; (ii) the Office  
5 of the U.S. Trustee for Region 17 (Attn: Andrew R. Vara, Esq. and Timothy Laffredi, Esq.); (iii) all  
6 counsel and parties receiving electronic notice through the Court's electronic case filing system; and (iv)  
7 those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to  
8 Bankruptcy Rule 2002. The Reorganized Debtors respectfully submit that no further notice is required.  
9 No previous request for the relief sought herein has been made by the Reorganized Debtors to this or  
10 any other Court.

11 WHEREFORE the Reorganized Debtors respectfully request entry of an order granting (i) the  
12 relief requested herein as a sound exercise of the Reorganized Debtors' business judgment and in the  
13 best interests of their estates, creditors, shareholders, and all other parties interests, and (ii) such other  
14 and further relief as the Court may deem just and appropriate.

15 Dated: February 25, 2021

**KELLER BENVENUTTI KIM LLP**

16 By: /s/ Dara L. Silveira  
17 Dara L. Silveira

18 *Attorneys for Debtors and Reorganized Debtors*